

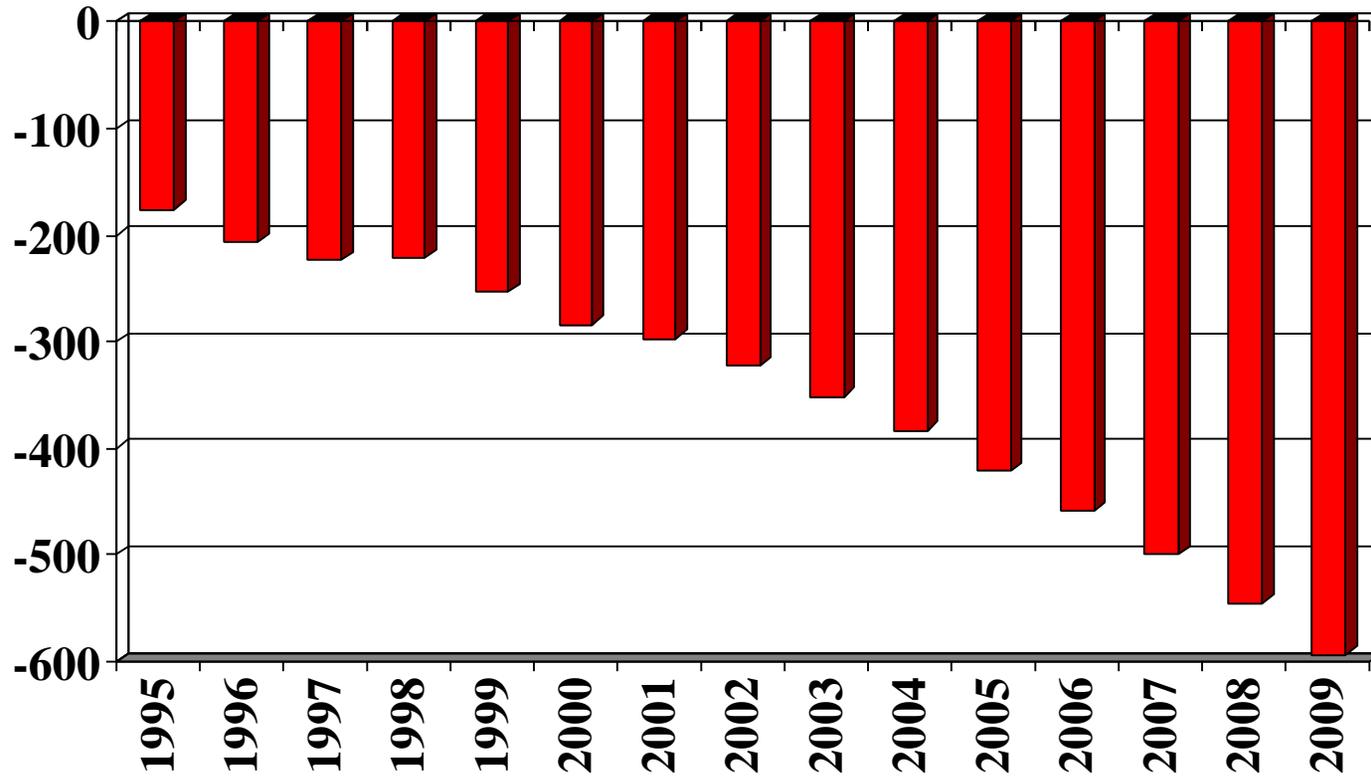
FY 2000 Budget

A Framework for our Agenda

Where we've come from

As Republicans came to Congress in 1995 the federal deficit was \$175 billion...and growing “as far as the eye can see!”

Deficit Outlook 1995

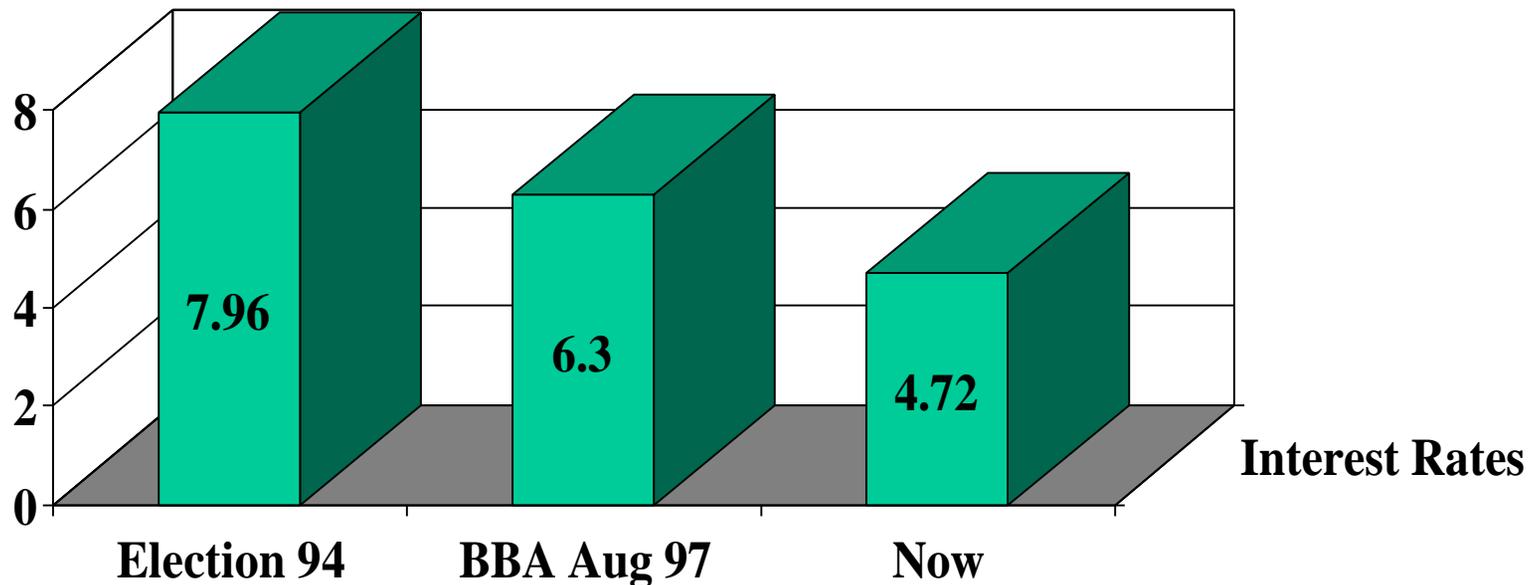


America Demanded Change

- In 1995, a new GOP Congress set a new course.
- Balanced the budget by the year 2002.
- Reduced government programs and slowed federal spending.
- Eliminated deficit 4 years ahead of schedule.
- Provided tax relief for families.

Interest Rate Changes

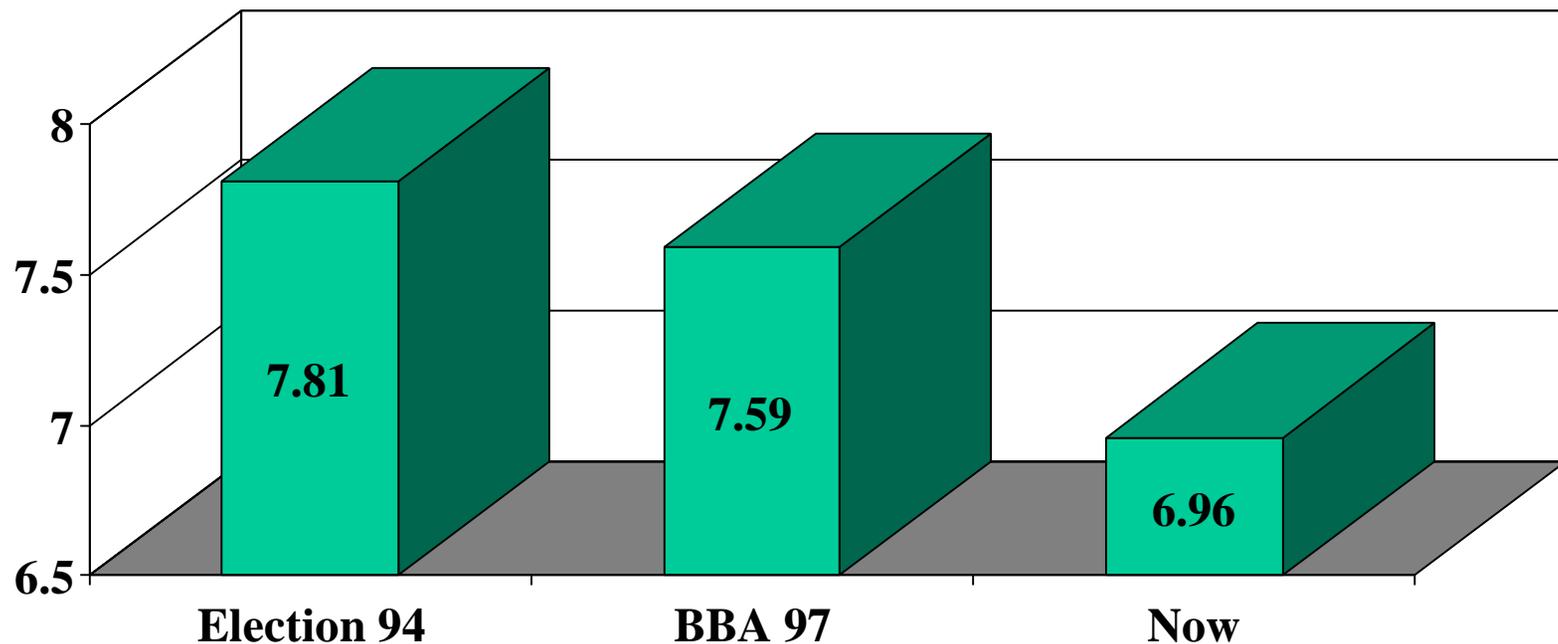
10 Year Treasury Bonds



We've had more good news. On interest rates...

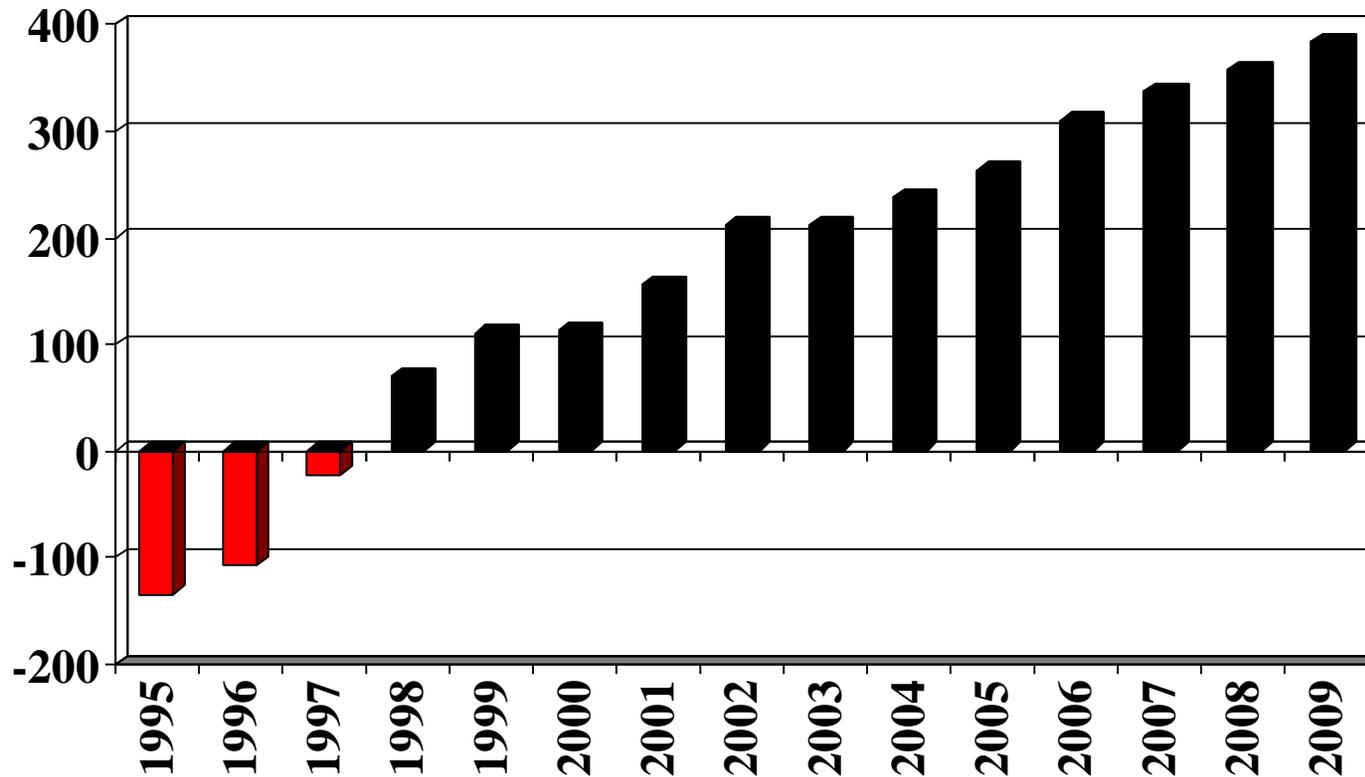
Interest Rate Changes

Home Mortgages



And on mortgage rates. It's easier to buy a house today than it was before the Balanced Budget Agreement.

Budget Surplus Outlook 1999



With a strong economy, and the 1997 Balanced Budget Act, we have surpluses as far as the eye can see!

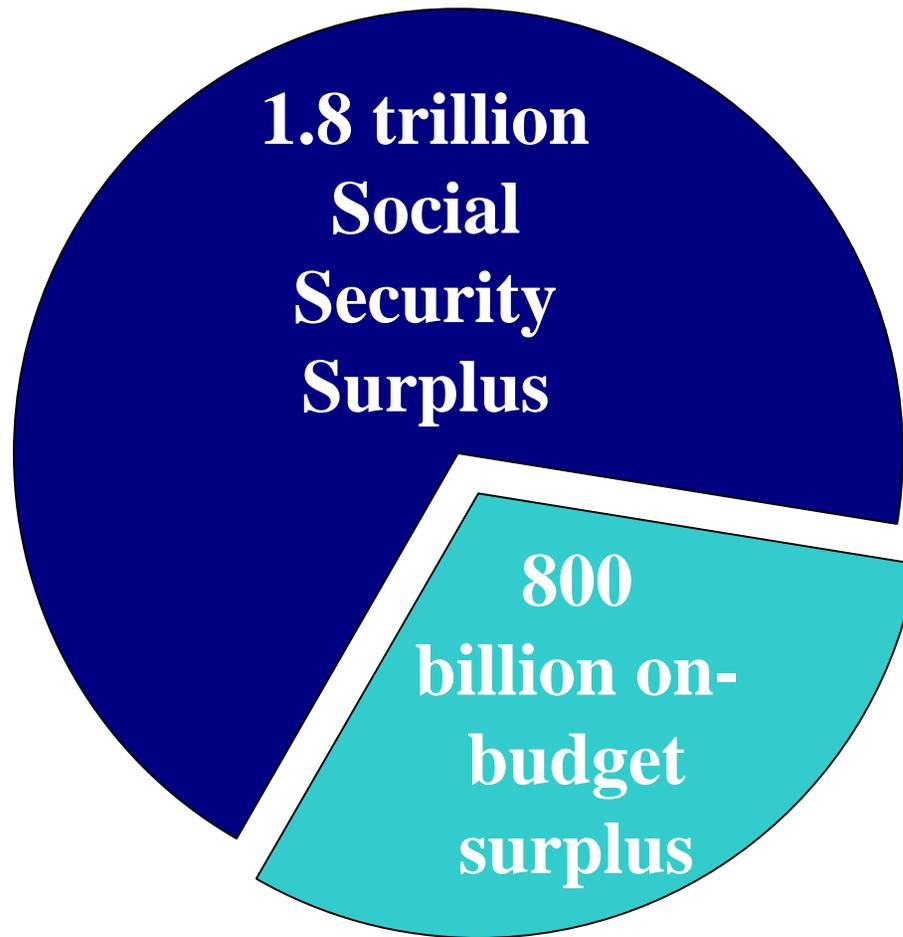
Reaping the Fruits of our Labor

- Now that deficits have turned into surpluses
 - Over \$130 billion in FY 2000
 - \$2.6 trillion over the next 10 years

The primary objectives are:

- Strengthen Retirement Security for our children and grandchildren
- Reduce the national debt and continue to restrain government spending
- Provide tax relief so our economy continues to grow and create jobs

The \$2.6 trillion surplus defined over 10 years...



Questions for GOP at Williamsburg

- What do we set aside for Social Security?
- Do we keep the caps or ease them?
- How do we address needs in Defense and Education?
- Can we give the taxpayer a tax cut?

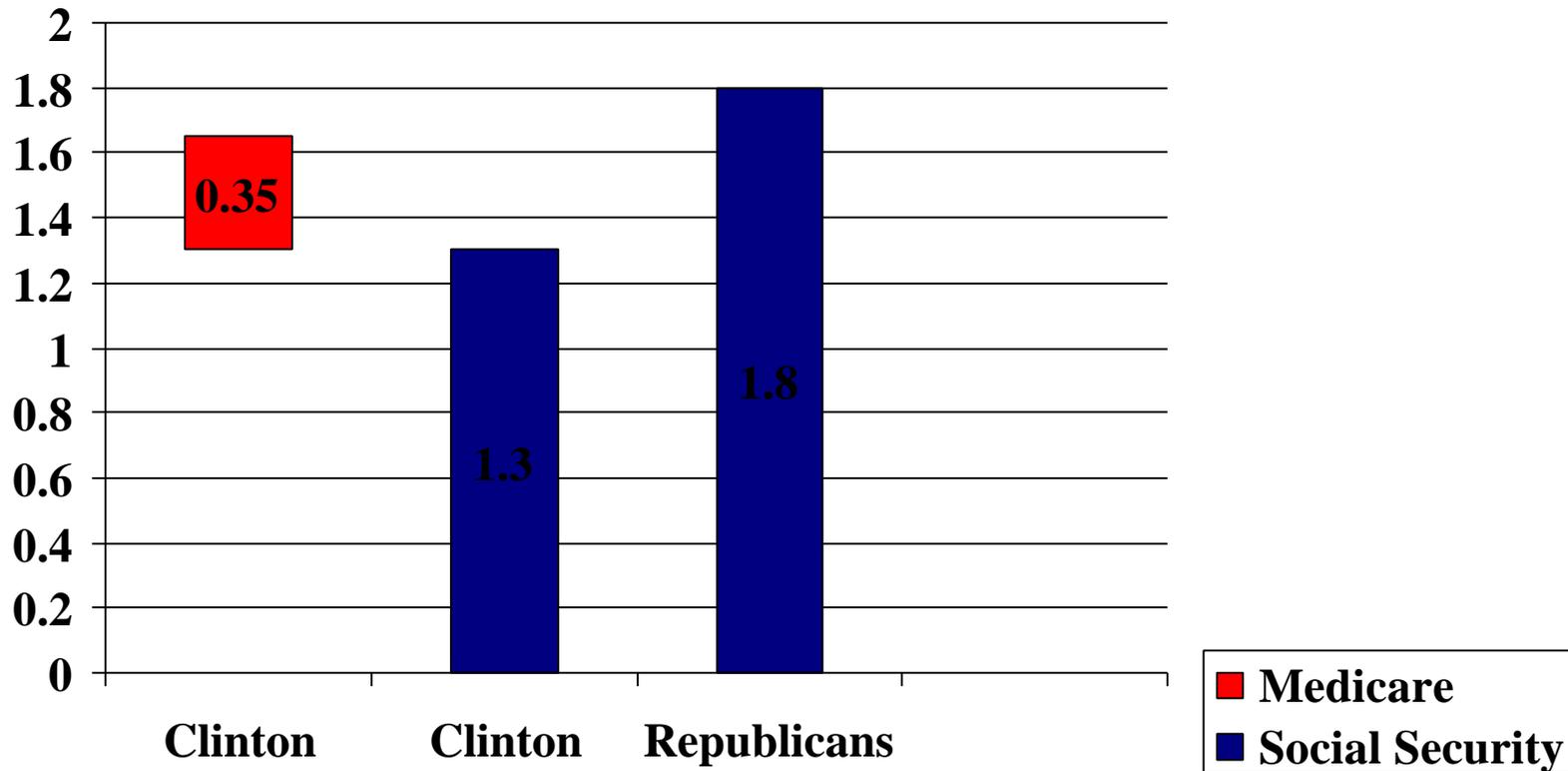
The Answers...

- Every penny of Social Security surplus-- almost \$1.8 trillion (payroll tax+interest)
- Keep to the Balanced Budget, Keep the spending down
- Priority spending in defense and commitment to education
- Tax relief that grows over time

On Social Security:

We lock up 100% of the Social Security surplus; payroll taxes and interest.

Compare over ten years...



Compare on Taxes...

- Clinton raises taxes by \$172 billion.
- GOP cuts taxes by \$10 to 15 billion in FY2000, and about \$800 billion over 10 years.

Compare on Spending...

- Clinton creates over 120 new programs.
- Increases spending more than \$200 billion over five years.

FY 2000 Budget

- Retirement Security
- Keeping the Budget Balanced
- Tax Relief for taxpayers
- Making more progress on the public debt